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TAGS: [PGOV](#) [KDEM](#) [PREL](#) [NP](#)  
SUBJECT: DIPLOMATIC BREAKFAST WITH MAJOR PARTY  
REPRESENTATIVES

Classified By: CHARGE D'AFFAIRES, A.I. RANDY W. BERRY FOR REASONS 1.5 (B/D)

¶1. (C) Summary: Major political parties vowed continued commitment to consensus politics during a breakfast meeting with senior diplomats on May 19, and acknowledged some, but not enough, progress towards an agreement to form a new Nepali government. With the Constituent Assembly's first sitting just nine days away, significant differences remain, particularly on issues relating to the integration of the People's Liberation Army (PLA) and a constitutional amendment to alter the threshold for formation (and termination) of the new government. All acknowledged that the Maoists, having won more votes than any other party, have the right and responsibility to bring together a new coalition government. This was the first group interaction since the April 10 election. End Summary.

¶2. (C) Charge Berry attended the most recent in the ongoing series of meetings between political party leaders and senior Kathmandu-based diplomats on May 19. Norwegian Ambassador Toreng hosted; other diplomatic attendees were the Danish Ambassador, Finnish Charge, UK Deputy Chief of Mission, and UNMIN Deputy Chief. Nepalis attending, representing the five largest parties in the new Constituent Assembly, were Baburam Bhattarai (Communist Party of Nepal-Maoist), Minendra Rizal (Nepali Congress), M.K. Nepal (Communist Party of Nepal-United Marxist-Leninist), Shyam Suman (Madhesi People's Rights Forum), and Mahanta Thakur (Terai Madhes Loktantrik Party).

¶3. (C) In turn, each political leader struck similar points. All categorically stated that consensus must be the prevailing principle underpinning the new Constituent Assembly and guiding the formation of the new Nepali government. All likewise acknowledged that the Maoists, success in garnering a plurality entitled them to take the lead in forming the new government. All parties also confirmed that the first order of business when the new Assembly sits on May 28 will be the formal declaration of a republic, and an end to Nepal's 250-year old monarchy. Aside from these three core issues, the parties remain separated by positions substantially at odds, particularly on two key issues PLA integration and the threshold for forming and bringing down any future government. The latter subject

engendered more enthusiastic debate than any other.

14. (C) Bhattarai, typically the quietest of the participants, assumed a significantly more prominent role in this morning's meeting. He confirmed that the existing Six Party Alliance had been broadened by consensus into a grouping of the 13 largest parties following the April 10 elections, and that talks were continuing through a task force to establish relationships and an agenda for the initial Assembly sitting. While he noted broad agreement on several issues, he said that discussion continued on key governance questions, such as the establishment of a Presidential vs. Prime Ministerial system, or whether any future Nepali President would carry executive or ceremonial powers.

15. (C) NC's Rizal raised persisting violence by the cadres of the Maoists, Young Communist League, and argued forcefully (with the broad agreement of everyone else at the table) that the YCL must transform into a mainstream party youth wing, and forego its quasi-military nature and the routine use of force and intimidation. Bhattarai did not acknowledge YCL abuses, nor did he refute them. He indicated that the Maoists and NC had agreed that the YCL would need to operate like other party youth wings. Rizal also criticized the Maoists, reliance on other parallel structures, referring mainly to the PLA and people's courts that remain intact. His most forceful point, however, was on the issue of amending the interim constitution to change the threshold for governance.

16. (C) All of the parties except the Maoists voiced their preference for changing the threshold to a simple majority. The interim constitution currently requires consensus or a 2/3 majority to either form (or dissolve) a government. A standoff on this particular issue appears to be in the offing: without the support of the NC and UML, the Maoists, with 38% of the seats, cannot muster the 2/3 majority needed to form the next government. While changing the requirement to a simple majority would allow them to do so with minority partners (significantly, the Madhesi parties, with a combined 13.9%), it would also enable the UML and NC (with 18% and 19%, respectively) with minority support to move a vote of no-confidence and bring down the government. While the Maoists need NC/UML support to form the government, they do not want to surrender their ability to singularly block any no-confidence motion or lend a new Maoist-led government vulnerable. Agree to change the threshold, the NC and UML argued, and the parties will cooperate in the formation of a new government under Maoist leadership; keep it at 2/3 and no new government can be established.

17. (C) M.K. Nepal, attending for the first time in his new capacity as the UML's foreign relations chief after stepping down as the party's leader, acknowledged that the Nepali people had voted for change on April 10. As those agents of change, he insisted, it now was incumbent upon the Maoists and Madhesi parties to create the proper environment for consensus-based politics under this new order, though he evinced little sincerity while vowing the UML's support as a minority party if that environment were created. Nepal, in responding to a question on the country's looming fuel crisis, gestured to the Maoist's Bhattarai and said, effectively, that it was now their problem to solve.

18. (C) Madhesi party reps were largely quiet other than to insist that their primary focus would remain on ensuring adherence to previous GON-Madhesi agreements. Shyam Suman said the MPRF, in particular, had no priority interest in becoming part of the governing coalition, but that if other demands were addressed, presumably on the one Madhesh, one Pradesh issue, his party would be prepared to join.

19. (C) Diplomats attending today's breakfast sounded a uniform call for respect for the outcome of the election, a continuation of consensus governance, respect for democratic principles, cessation of violence (particularly by the YCL),

and the creation of a conducive environment in which to craft the new constitution.

Comment

¶10. (C) While the renewed commitment to consensus-based governance is reassuring, it is clear that the devil really is in the details. It is possible that the Maoists and the other parties can come to some sort of accommodation on the future of the PLA and YCL, even if implementation is likely problematic. However, the deals that must be struck on government formation and power-sharing will likely be even more complicated. The threshold requirement is one such obstacle, but will no means be the only one. The cabinet horse-trading that would ensue following an agreement would also likely be fraught with complications. With May 28 and the inaugural session looming, a solution, in typical Nepali style, is likely to come at the last minute, or not at all.

BERRY